

## EXHIBIT 353

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION

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IN RE: NATIONAL	) MDL No. 2804
PRESCRIPTION OPIATE	)
LITIGATION	) Case No.
-----	) 1:17-MD-2804
	)
THIS DOCUMENT RELATES TO	) Hon. Dan A. Polster
ALL CASES	)
-----	)

HIGHLY CONFIDENTIAL  
SUBJECT TO FURTHER CONFIDENTIALITY REVIEW

VIDEOTAPED DEPOSITION OF  
DOUGLAS PETERSON

December 20, 2018

Chicago, Illinois

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deps@golkow.com

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<p>1</p> <p>2</p> <p>3</p> <p>4 The videotaped deposition of</p> <p>5 DOUGLAS PETERSON, called by the Plaintiffs for</p> <p>6 examination, taken pursuant to the Federal Rules of</p> <p>7 Civil Procedure of the United States District</p> <p>8 Courts pertaining to the taking of depositions,</p> <p>9 taken before CORINNE T. MARUT, C.S.R. No. 84-1968,</p> <p>10 Registered Professional Reporter and a Certified</p> <p>11 Shorthand Reporter of the State of Illinois, at the</p> <p>12 offices of Bartlit Beck Herman Palenchar &amp; Scott,</p> <p>13 Suite 600, 54 West Hubbard Street, Chicago,</p> <p>14 Illinois, on December 20, 2018, commencing at 9:01</p> <p>15 a.m.</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>	<p>1 APPEARANCES (Continued):</p> <p>2 ON BEHALF OF CARDINAL HEALTH, INC.:</p> <p>3 WILLIAMS &amp; CONNOLLY LLP</p> <p>4 725 Twelfth Street, N.W.</p> <p>5 Washington, DC 20005</p> <p>6 202-434-5686</p> <p>7 BY: MIRANDA PETERSEN, ESQ.</p> <p>8 mpetersen@wc.com</p> <p>9 (via telephone/livestream)</p> <p>10</p> <p>11 ON BEHALF OF AMERISOURCEBERGEN CORPORATION and</p> <p>12 AMERISOURCEBERGEN CORPORATION:</p> <p>13 JACKSON KELLY PLLC</p> <p>14 150 Clay Street, Suite 500</p> <p>15 P.O. Box 619</p> <p>16 Morgantown, West Virginia 26501</p> <p>17 304-284-4138</p> <p>18 BY: SYLVIA WINSTON NICHOLS, ESQ.</p> <p>19 silvia.winston@jacksonkelly.com</p> <p>20</p> <p>21 ON BEHALF OF WALMART:</p> <p>22 JONES DAY</p> <p>23 77 West Wacker Drive</p> <p>24 Chicago, Illinois 60601-1692</p> <p>312-782-3939</p> <p>BY: JASON Z. ZHOU, ESQ.</p> <p>jzhou@jonesday.com</p> <p>ON BEHALF OF HBC COMPANY:</p> <p>MARCUS &amp; SHAPIRA LLP</p> <p>One Oxford Centre, 35th Floor</p> <p>Pittsburgh, Pennsylvania 15219</p> <p>412-338-4383</p> <p>BY: ZACHARY FENSTEMAKER, ESQ.</p> <p>fenstemaker@marcus-shapira.com</p> <p>ELLY HELLER-TOIG, ESQ.</p> <p>ehtoig@marcus-shapira.com</p> <p>(via telephone/livestream)</p>
Page 3	Page 5
<p>1 APPEARANCES:</p> <p>2 ON BEHALF OF THE PLAINTIFFS:</p> <p>3 LEVIN PAPANTONIO THOMAS MITCHELL</p> <p>4 RAFFERTY &amp; PROCTOR P.A.</p> <p>5 316 South Baylen Street, Suite 600</p> <p>6 Pensacola, Florida 32502</p> <p>7 205-396-3982</p> <p>8 BY: JEFF GADDY, ESQ.</p> <p>9 jgaddy@levinlaw.com</p> <p>10 LAURA DUNNING, ESQ.</p> <p>11 ldunning@levinlaw.com</p> <p>12 (via livestream)</p> <p>13</p> <p>14 ON BEHALF OF WALGREENS BOOTS ALLIANCE, INC.</p> <p>15 aka WALGREEN CO. and THE DEPONENT:</p> <p>16</p> <p>17 BARTLIT BECK LLP</p> <p>18 54 West Hubbard Street, Suite 300</p> <p>19 Chicago, Illinois 60654</p> <p>20 312-494-4475</p> <p>21 BY: MARK LEVINE, ESQ.</p> <p>22 Mark.Levine@BartlitBeck.com</p> <p>23 SHARON DESH, ESQ.</p> <p>24 sharon.desh@bartlitbeck.com</p> <p>ON BEHALF OF ENDO HEALTH SOLUTIONS INC. and</p> <p>ENDO PHARMACEUTICALS, INC.,</p> <p>PAR PHARMACEUTICAL, INC., and PAR PHARMACEUTICAL</p> <p>COMPANIES, INC. (f/k/a Par Pharmaceutical</p> <p>Holdings, Inc.):</p> <p>ARNOLD &amp; PORTER KAYE SCHOLER LLP</p> <p>250 West 55th Street</p> <p>New York, New York 10019-9710</p> <p>212-836-8000</p> <p>BY: ZENO HOUSTON, ESQ.</p> <p>zeno.houston@arnoldporter.com</p> <p>(via telephone/livestream)</p>	<p>1 ALSO PRESENT:</p> <p>2 KATIE MAYO, Paralegal</p> <p>3 kmayo@levinlaw.com</p> <p>4 SARAH MERCED, Paralegal</p> <p>5 smerced@levinlaw.com</p> <p>6 Levin Papantonio Thomas Mitchell</p> <p>7 Rafferty &amp; Proctor P.A.</p> <p>8</p> <p>9 RODERRICK CONCEPCION, Trial Technician</p> <p>10</p> <p>11 VIDEOTAPED BY: MICHAEL NEWELL</p> <p>12</p> <p>13 REPORTED BY: CORINNE T. MARUT, C.S.R. No. 84-1968</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p>

<p style="text-align: right;">Page 26</p> <p>1 BY THE WITNESS:</p> <p>2 A. It's for all items carried in the</p> <p>3 warehouse, in the Walgreens stores.</p> <p>4 BY MR. GADDY:</p> <p>5 Q. But is it line by line? Is it product</p> <p>6 by product that is the -- why don't you explain for</p> <p>7 me what you meant when you told me that it's for</p> <p>8 the entire store as opposed to by product?</p> <p>9 A. Well, the store can order any product.</p> <p>10 I mean, we distribute products for most of the</p> <p>11 items in our Walgreens store. So, any ordered item</p> <p>12 it would look at irregardless of what type of item</p> <p>13 it is. It could be paper towels. It could be</p> <p>14 toilet paper, shampoo. It will look at any item we</p> <p>15 have and if it is greater than the value specified,</p> <p>16 it will appear on the report.</p> <p>17 Q. So, the distribution center enters in a</p> <p>18 quantity or a number for paper towels, correct?</p> <p>19 A. No, they're entering a number just --</p> <p>20 it's not item-specific. It's just a number and if</p> <p>21 it's greater than that number, it will display on a</p> <p>22 report. So, it's not product-specific.</p> <p>23 Q. Okay. So, it's one number that's</p> <p>24 entered for all products within the store?</p>	<p style="text-align: right;">Page 28</p> <p>1 Q. Is there any approval process that</p> <p>2 you're aware of for that person to raise or lower</p> <p>3 that number?</p> <p>4 A. Not that I am aware of.</p> <p>5 Q. In the 2000s when Walgreens began</p> <p>6 distributing controlled substances to its own</p> <p>7 stores, from your understanding, is the excessive</p> <p>8 order query just as you've been describing it thus</p> <p>9 far?</p> <p>10 A. Yes.</p> <p>11 Q. Are you aware of any special practices</p> <p>12 or procedures or approvals required regarding the</p> <p>13 excessive order query as it related to controlled</p> <p>14 substances in the 2000s?</p> <p>15 A. No, I am not.</p> <p>16 Q. And you were the person that helped</p> <p>17 implement this program, correct?</p> <p>18 A. That is correct.</p> <p>19 Q. Were you ever asked to make any changes</p> <p>20 or amendments to the program over the life of it?</p> <p>21 A. Not that I remember.</p> <p>22 Q. How often would that excessive query</p> <p>23 report be run?</p> <p>24 A. It's really up to the DCs to determine</p>
<p style="text-align: right;">Page 27</p> <p>1 A. Yes.</p> <p>2 Q. One number whether it's paper towels,</p> <p>3 whether it's toilet paper, whether it's Claritin,</p> <p>4 or whether it's OxyContin?</p> <p>5 A. Yes.</p> <p>6 Q. And that number is chosen by an</p> <p>7 individual at the distribution center?</p> <p>8 A. Yes. It's chosen by someone at the</p> <p>9 distribution center.</p> <p>10 Q. Do you know the position of the person</p> <p>11 at the distribution center that makes that</p> <p>12 determination?</p> <p>13 A. No, I do not.</p> <p>14 Q. Have you heard the position of SAIL</p> <p>15 coordinator, S-A-I-L coordinator?</p> <p>16 A. Yes. I know SAIL coordinator.</p> <p>17 Q. Do you know whether or not the SAIL</p> <p>18 coordinator is the person that makes the decision</p> <p>19 that a certain number is going to be entered as the</p> <p>20 criteria?</p> <p>21 A. I can't say for sure.</p> <p>22 Q. Regardless of who it is, that person has</p> <p>23 discretion to raise or lower that number, correct?</p> <p>24 A. That is correct.</p>	<p style="text-align: right;">Page 29</p> <p>1 that. It could be daily. It could be -- it's up</p> <p>2 to their decision to how many times they would or</p> <p>3 when they would run it.</p> <p>4 Q. From your understanding, do orders come</p> <p>5 into the distribution center from -- from stores</p> <p>6 pretty much on a daily basis?</p> <p>7 A. Yes.</p> <p>8 Q. It would make sense to run the report</p> <p>9 daily?</p> <p>10 Let me ask it this way: If your goal is</p> <p>11 to catch orders that might have been entered in</p> <p>12 error, which I think is what you told us the</p> <p>13 intention of the report was, it would make sense to</p> <p>14 run it daily so that you don't ship any product</p> <p>15 that wasn't intended to be shipped?</p> <p>16 A. Yes.</p> <p>17 Q. Are you aware of any policy or procedure</p> <p>18 for what is supposed to be done if there are</p> <p>19 certain orders that populate on that excessive</p> <p>20 order query?</p> <p>21 MR. LEVINE: Objection; lacks foundation.</p> <p>22 BY THE WITNESS:</p> <p>23 A. I'm not -- I'm not sure. I don't know</p> <p>24 of any policies personally, no.</p>

<p style="text-align: right;">Page 158</p> <p>1 going to Cardinal. That process resides in the</p> <p>2 store's system as an all-or-none feature."</p> <p>3 Do you see that?</p> <p>4 A. Yes.</p> <p>5 Q. What does that mean to you?</p> <p>6 A. I'm not really sure what that means.</p> <p>7 Q. The only workaround that you were able</p> <p>8 to set up as it relates to these 367 red-flagged</p> <p>9 stores related to the Schedule II controlled</p> <p>10 substances, correct?</p> <p>11 A. Yes.</p> <p>12 Q. You weren't able to develop any type of</p> <p>13 workaround to allow the red-flagged stores to</p> <p>14 continue ordering Schedules III through V, correct?</p> <p>15 A. Correct.</p> <p>16 Q. Now, at this point in time when -- that</p> <p>17 was February 2013, correct?</p> <p>18 A. Yes. Yes.</p> <p>19 Q. And you recall we've looked at the</p> <p>20 documents from earlier, particularly the thick</p> <p>21 document with the Order to Show Cause in it, that</p> <p>22 it indicated that the controlled substances at</p> <p>23 Jupiter had been locked up back in September of the</p> <p>24 previous year, of 2012.</p>	<p style="text-align: right;">Page 160</p> <p>1 correct?</p> <p>2 A. From what I read in the e-mails, yes. I</p> <p>3 don't recall them from back then.</p> <p>4 Q. Okay. Do you recall as you sit here</p> <p>5 today also dealing with stores that Cardinal Health</p> <p>6 had red-flagged, meaning refused to distribute</p> <p>7 controlled substances to, that were typically</p> <p>8 serviced by the Woodland distribution center?</p> <p>9 A. I do not recall any of that, no.</p> <p>10 Q. Okay. I'm going to show you what I'm</p> <p>11 going to mark as Peterson 15. P-WAG-2033.</p> <p>12 (WHEREUPON, a certain document was</p> <p>13 marked as Walgreens-Peterson</p> <p>14 Exhibit No. 15: 4/9/13 e-mail</p> <p>15 sting; WAGMDL00358578 - 00358580.)</p> <p>16 BY MR. GADDY:</p> <p>17 Q. And do you recognize this document again</p> <p>18 as a -- as another e-mail chain?</p> <p>19 A. Yes.</p> <p>20 Q. And it looks like in the first e-mail,</p> <p>21 that would be the last one in the chain that we'll</p> <p>22 get to in a minute, it looks like it was ultimately</p> <p>23 from you, correct, the first page?</p> <p>24 A. Oh, the first page? Yes, that is my</p>
<p style="text-align: right;">Page 159</p> <p>1 Do you recall that?</p> <p>2 MR. LEVINE: Objection; lacks foundation.</p> <p>3 BY THE WITNESS:</p> <p>4 A. I don't recall that, no.</p> <p>5 BY MR. GADDY:</p> <p>6 Q. Okay. Well, regardless, we saw in these</p> <p>7 e-mails that we just looked at in early 2013 that</p> <p>8 Walgreens was in the process of stopping to ship</p> <p>9 Schedule II controlled substances from the</p> <p>10 Perrysburg distribution center, correct?</p> <p>11 A. We were asked to write code to stop</p> <p>12 some.</p> <p>13 Q. And you saw in the meeting notes where</p> <p>14 the plan was to ship Schedule II controlled</p> <p>15 substances from Perrysburg until the DEA came in</p> <p>16 and shut them down. Do you recall that?</p> <p>17 A. I recall the e-mail, but I don't recall</p> <p>18 back from then.</p> <p>19 Q. I understand. And what we just looked</p> <p>20 at was some correspondence from Cardinal Health and</p> <p>21 then some projects that you were involved with</p> <p>22 where Cardinal Health had red-flagged several</p> <p>23 stores, Walgreens stores, that were typically</p> <p>24 serviced by the Perrysburg distribution center,</p>	<p style="text-align: right;">Page 161</p> <p>1 name.</p> <p>2 Q. So, this is another e-mail chain,</p> <p>3 whether or not you're in the first one we are going</p> <p>4 to look at, ultimately you were involved in this</p> <p>5 e-mail correspondence, correct?</p> <p>6 A. Yes.</p> <p>7 Q. So, if you flip the page, do you see a,</p> <p>8 starting in about halfway down the page, an e-mail</p> <p>9 from Lisa Penn at Cardinal Health?</p> <p>10 A. Yes.</p> <p>11 Q. And the date of this e-mail is April 9,</p> <p>12 2013, correct?</p> <p>13 A. Yes, it is.</p> <p>14 Q. And, so, this is a month or two after</p> <p>15 these last e-mails we were looking at where you</p> <p>16 were developing a workaround for the red-flagged</p> <p>17 stores out of Perrysburg, right?</p> <p>18 A. Yes.</p> <p>19 Q. And this e-mail goes to Denny Murray and</p> <p>20 also Tasha Polster?</p> <p>21 A. Yes.</p> <p>22 Q. And the subject is "Walgreens Woodland</p> <p>23 Data - Red Stores."</p> <p>24 Do you see that?</p>

<p style="text-align: right;">Page 162</p> <p>1 A. Yes, I do.</p> <p>2 Q. It goes on to say, "Denny and Tasha, we</p> <p>3 completed our analysis of the Woodland store data</p> <p>4 and I have attached the results. We applied the</p> <p>5 same analytical framework to these stores as we did</p> <p>6 for the Perrysburg stores. Below are the totals in</p> <p>7 terms of how the classifications were made."</p> <p>8 Do you see that?</p> <p>9 A. Yes.</p> <p>10 Q. And then below that do you that there is</p> <p>11 a chart that Lisa from Cardinal Health has included</p> <p>12 which identifies which classifications were</p> <p>13 assigned to how many different Walgreens stores?</p> <p>14 A. Yes, I see the chart.</p> <p>15 Q. And how many stores does Lisa indicate</p> <p>16 were classified as red?</p> <p>17 A. 190.</p> <p>18 Q. Okay. And what percentages -- what</p> <p>19 percentage of the stores serviced by the Woodland</p> <p>20 distribution center did that encapsulate?</p> <p>21 A. 12.29.</p> <p>22 Q. And from the earlier documents that</p> <p>23 we've looked at, do you understand that to mean</p> <p>24 that Cardinal Health is indicating that they have,</p>	<p style="text-align: right;">Page 164</p> <p>1 Do you see that?</p> <p>2 A. Yes.</p> <p>3 Q. Do you understand that to mean that</p> <p>4 Cardinal Health is now refusing to ship controlled</p> <p>5 substances to those 190 stores?</p> <p>6 A. I'm not really sure if that's what that</p> <p>7 means or not.</p> <p>8 Q. Well, when we looked at the stores that</p> <p>9 were red-flagged in Perrysburg, you understood that</p> <p>10 Cardinal Health was not going to distribute them</p> <p>11 controlled substances and therefore you had to come</p> <p>12 up with a workaround, right?</p> <p>13 A. For Perrysburg, correct.</p> <p>14 Q. He goes on to say, "I will need you</p> <p>15 gentlemen to put in place the same restrictions we</p> <p>16 had for the 225 Perrysburg stores that blocked C-II</p> <p>17 orders and PFL/OOS for the C-II through V narcotic</p> <p>18 analgesics."</p> <p>19 Do you see that?</p> <p>20 A. Yes, I see that.</p> <p>21 Q. First, when we see narcotic analgesics,</p> <p>22 C-II through V narcotic analgesics, do you</p> <p>23 understand that to mean Schedule II through V</p> <p>24 controlled substances?</p>
<p style="text-align: right;">Page 163</p> <p>1 on objective measures only, flagged 190 Walgreens</p> <p>2 stores as red and therefore will not ship</p> <p>3 controlled substances to them?</p> <p>4 MS. PETERSEN: Objection; foundation.</p> <p>5 BY THE WITNESS:</p> <p>6 A. I'm -- no, I have no recollection of</p> <p>7 that. No.</p> <p>8 BY MR. GADDY:</p> <p>9 Q. Well, let's keep reading.</p> <p>10 The next e-mail looks like it comes from</p> <p>11 Denny Murray. The next e-mail in the chain. If</p> <p>12 you flip to the first page.</p> <p>13 A. Yes, I see that.</p> <p>14 Q. And that e-mail goes to you, John</p> <p>15 Merritello and Steve Bamberg, correct?</p> <p>16 A. Yes.</p> <p>17 Q. And it looks like he's forwarded that</p> <p>18 first e-mail to you that had the number of red,</p> <p>19 orange, yellow and green stores on it, correct?</p> <p>20 A. Yes.</p> <p>21 Q. And he writes here, "Cardinal is now</p> <p>22 restricting the distribution of C-II through V</p> <p>23 narcotic analgesics for 190 stores out of Woodland</p> <p>24 starting Friday, April 12."</p>	<p style="text-align: right;">Page 165</p> <p>1 A. I'd say C-II through V, yes.</p> <p>2 Q. So, do you understand that Denny -- let</p> <p>3 me ask you this. This e-mail is from five and a</p> <p>4 half years ago, right?</p> <p>5 A. Yes, it is.</p> <p>6 Q. As you sit here today, do you recall</p> <p>7 getting this e-mail from Denny asking you to</p> <p>8 develop a workaround for Woodland like you had for</p> <p>9 Perrysburg?</p> <p>10 A. No, I do not remember that.</p> <p>11 Q. But do you understand from looking at</p> <p>12 this document that that's what he was asking you to</p> <p>13 do?</p> <p>14 A. Yes.</p> <p>15 Q. Okay. And so then you respond in the</p> <p>16 top e-mail and you say, "I just want to verify:</p> <p>17 We're using same list of products" -- excuse me --</p> <p>18 "same list of items from Perrysburg." Correct?</p> <p>19 A. Yes.</p> <p>20 Q. And that would be either that 300 or 500</p> <p>21 number that we saw in Dave's formula where he was</p> <p>22 doing number of stores multiplied by number of</p> <p>23 items?</p> <p>24 A. One of those, yes.</p>